

**NINETEENTH JUDICIAL DISTRICT COURT  
THE PARISH OF EAST BATON ROUGE  
STATE OF LOUISIANA**

**NUMBER:**

**DIVISION:**

**J. ROBERT WOOLEY, COMMISSIONER OF INSURANCE  
FOR THE STATE OF LOUISIANA**

**VERSUS**

**BENTON LIFE INSURANCE COMPANY, INC., INC.**

**FILED:** \_\_\_\_\_

**DEPUTY CLERK** \_\_\_\_\_

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**ORDER**

Considering the foregoing verified Petition and Rule for Rehabilitation and Injunctive Relief, and for cause shown:

**IT IS HEREBY ORDERED ADJUDGED AND DECREED:**

1. That the Commissioner be and is hereby appointed Rehabilitator of Benton Life Insurance Company, Inc. and may name a Receiver for Benton Life Insurance Company, Inc. subject to the order of this Court.
2. That pursuant to LSA-R.S. 22:734 the Commissioner as the Rehabilitator, his agents and/or employees to take possession and control of the property, business, affairs, bank accounts, safety deposit boxes, computers, all primary and secondary storage media, documents, claims files, software, electronic data, e-mail, websites, books, records, accounts, copyrights, trademarks, patents and all other assets of Benton Life Insurance Company, Inc., Inc. , including all real property, whether in the possession of Benton Life Insurance Company, Inc., Inc. or its current or former officers, directors, employees, consultants, attorneys, subsidiaries, affiliates or agents, and of the premises occupied by the of Benton Life Insurance Company, Inc., Inc. for its business, enjoining Benton Life Insurance Company, Inc., Inc. and its current or former shareholders, officers, directors, agents, attorneys, servants, and employees, and any others acting on its behalf, from disposing of property or assets and from the transaction of the business of Benton Life Insurance Company, Inc., Inc. except with the concurrence of the Rehabilitator, and/or the Receiver, until further order of this Court.
3. That the Rehabilitator, and/or the Receiver is authorized to permit, as he deems necessary, further operation of Benton Life Insurance Company, Inc., Inc. as he may find to be in the best interests of the policyholders of Benton Life Insurance Company, Inc., Inc.
4. That Benton Life Insurance Company, Inc., and its current or former shareholders, officers, directors, agents, attorneys, accountants, actuaries, servants, employees, banks, savings and loan associations, and any other partnership, company, or entity controlled by same and/or persons acting for or on behalf of said individuals and companies, and/or any others acting on its behalf, immediately surrender and turn over to the Rehabilitator and/or the Receiver all property, business, affairs, documents, computers, all primary and secondary storage media, bank accounts, safety deposit boxes, software, electronic data, e-mail, websites, books, records, accounts, and other assets of Benton Life Insurance Company, Inc., including all real property, and the premises occupied by Benton Life Insurance Company, Inc., and be

enjoined from the transaction of the business of Benton Life Insurance Company, Inc., except with the concurrence of the Rehabilitator until further order of this Court.

5. That Benton Life Insurance Company, Inc., its current or former shareholders, officers, directors, agents, accountants, attorneys, servants, employees, banks, savings and loan associations, actuaries and any other partnership, company or entity controlled by same and/or other persons acting for or on behalf of Benton Life Insurance Company, Inc., are enjoined from disposing of the property or assets of Benton Life Insurance Company, Inc., and from the transaction of its business except with the concurrence of the Rehabilitator and/or the Receiver, until further order of this Court.
6. That an injunction and stay are entered against all persons and entities from obtaining preferences, judgments, attachments or other like liens or the making of any levy against Benton Life Insurance Company, Inc., its property and assets while in the Rehabilitator's, and/or the Receiver's possession and control and until further orders of this Court.
7. That Benton Life Insurance Company, Inc., its current or former shareholders, officers, directors, agents, accountants, attorneys, servants, employees, actuaries and any other partnership, company or entity controlled by same and/or other persons acting for or on behalf of Benton Life Insurance Company, Inc. or subject to their control, and all other persons or entities who have access to, control or possession of the property, assets, and affairs of Benton Life Insurance Company, Inc., are enjoined as follows:
  - a. From disposing of or encumbering any of the property or assets of Benton Life Insurance Company, Inc;
  - b. From disposing of any records or other documents belonging of Benton Life Insurance Company, Inc. or relating to the business and affairs of Benton Life Insurance Company, Inc.;
  - c. From the transaction of any business by, for, or on behalf of Benton Life Insurance Company, Inc. including, but not limited to:
    - i) The writing, issuance or renewal of any certificate of coverage, insurance policy, binder, or endorsement to an existing policy or certificate of coverage;
    - ii) The payment of claims and of any policy or certificate of coverage benefits;
    - iii) The incurring of any claim or loss adjustment expense;
    - iv) The incurring of any debt or liability, except with the concurrence of the Rehabilitator, and/or the Receiver, until further order of this Court; and/or
    - v) The interfering with the acquisition of possession by the exercise of dominion and control over the property of Benton Life Insurance Company, Inc., by the Rehabilitator, and/or the Receiver, or the Rehabilitator's, and/or the Receiver's conduct of the business and affairs of Benton Life Insurance Company, Inc.

**IT IS FURTHER ORDER ADJUDGED AND DECREED** that the Rehabilitator and/or Receiver be allowed and authorized to:

1. Employ and authorize the compensation of accountants, clerks, and such assistants as he deems necessary, and authorize the payment of the expenses of these proceedings and the necessary incidents thereof, as approved by the Court, to be paid out of the funds or assets of Benton Life Insurance Company, Inc. in the possession of the Rehabilitator or coming into its possession;
2. Defend or not defend legal actions wherein Benton Life Insurance Company, Inc., or the Rehabilitator and/or the Receiver is a party defendant, commenced prior to or

subsequent to the entry of the order herein, without the authorization of the Court, except, however, in actions where Benton Life Insurance Company, Inc., is a nominal party, as in certain foreclosure actions and the action does not affect a claim against or adversely affect the assets of Benton Life Insurance Company, Inc., the Rehabilitator, and/or the Receiver may file appropriate pleadings in his discretion;

3. Commence and maintain all legal actions necessary, wherever necessary, for the proper administration of this receivership proceeding;
4. Take possession of all Benton Life Insurance Company, Inc.'s securities and certificates of deposit on deposit with the Commissioner of Insurance of the State of Louisiana or any other person or entity, if any, and convert to cash so much of the same as may be necessary, in his judgment, to pay the expenses of administration of this receivership; and
5. Issue endorsements on existing policies, subscriber agreements, or certificates of coverage.
6. Collect all debts, which are economically feasible to collect and which are due and owing to Benton Life Insurance Company, Inc.;

**IT IS FURTHER ORDERED ADJUDGED AND DECREED:**

1. That any officer, director, manager, trustee, employee, agent or adjustor of Benton Life Insurance Company, Inc. and any person who possesses or possessed any executive authority over, or who exercises or exercised any control over any segment of the affairs of Benton Life Insurance Company, Inc., fully cooperate with the Rehabilitator and/or the Receiver, notwithstanding their dismissal pursuant to the order entered herein.
2. That all attorneys employed by Benton Life Insurance Company, Inc., as of the date of the order entered herein, within ten (10) days notice of this order, report to the Rehabilitator and/or the Receiver on the name, company, claim number and status of each file they are handling on behalf of Benton Life Insurance Company, Inc. Said report shall also include an account of any funds received from or on behalf of Benton Life Insurance Company, Inc. All attorneys described herein are hereby discharged as of the date of the order entered herein unless the Rehabilitator and/or the Receiver, retains their services in writing. All attorneys employed by Benton Life Insurance Company, Inc. who are in possession of litigation files or other material, documents or records belonging to or relating to work performed by the attorney on behalf of Benton Life Insurance Company, Inc. shall deliver such litigation files, material, documents or records intact and without purging to the Rehabilitator, and/or the Receiver, notwithstanding any claim of a retaining lien, which, if otherwise valid, shall not be extinguished by such turn-over of documents.
3. That reinsurance premiums due to or payable by Benton Life Insurance Company, Inc., be remitted to, or disbursed by the Rehabilitator and/or Receiver or to another party at the Rehabilitator's and/or Receiver's discretion. The Rehabilitator and/or Receiver shall handle reinsurance losses recoverable or payable by Benton Life Insurance Company, Inc. All correspondence concerning reinsurance shall be between the Rehabilitator and/or the Receiver, and the reinsuring company or intermediary unless otherwise requested by the Rehabilitator and/or Receiver.
4. That upon request by the Rehabilitator and/or the Receiver, any company providing telephone services to Benton Life Insurance Company, Inc. provide a referral of calls from the number presently assigned to Benton Life Insurance Company, Inc. to any such number designated by the Rehabilitator and/or the Receiver or perform any other services or changes necessary to the conduct of the receivership of Benton Life Insurance Company, Inc.
5. That any bank, savings and loan association, financial institution, and any other person which has on deposit, in its possession, custody or control any funds, accounts and any other assets of Benton Life Insurance Company, Inc., immediately transfer title, custody and control of all such funds, accounts, or assets to the Rehabilitator, and/or the Receiver, and be instructed that the Rehabilitator, and/or the Receiver, has absolute control over such funds, accounts and other assets. The Rehabilitator,

and/or the Receiver, may change the name of such accounts and other assets, withdraw them from such bank, savings and loan association or other financial institution or take such lesser action necessary for the proper conduct of this receivership. No bank, savings and loan association, or other financial institution shall exercise any form of set-off, alleged set-off, lien, any form of self help whatsoever, or refuse to transfer any funds or assets to the Rehabilitator's and/or the Receiver's control without the permission of this Court.

6. That any entity furnishing telephone, water, electric, sewage, garbage or trash removal services to Benton Life Insurance Company, Inc. maintain such service and transfer any such accounts to the Rehabilitator and/or Receiver as of the date of the order entered herein, unless instructed to the contrary by the Rehabilitator and/or the Receiver.
7. That any data processing service which has custody or control of any data processing information and records, including, but not limited to, source documents, data processing cards, input tapes, all types of storage information, master tapes or any other recorded information relating to Benton Life Insurance Company, Inc. transfer custody and control of such records to the Rehabilitator and/or the Receiver.
8. That the United States Postal Service provide any information requested by the Rehabilitator and/or the Receiver, regarding Benton Life Insurance Company, Inc. and handle future deliveries of Benton Life Insurance Company, Inc. mail as directed by the Rehabilitator and/or the Receiver.
9. That the Rehabilitator and/or the Receiver may conduct an investigation of Benton Life Insurance Company, Inc. and its subsidiaries and affiliates to uncover and make fully available to the Court the true state of Benton Life Insurance Company, Inc. financial affairs. In furtherance of this investigation, Benton Life Insurance Company, Inc. and its parent corporations, its subsidiaries, its affiliates, its third party administrators, its current or former owners, officers, directors, managers, attorneys, accountants, trustees, agents, adjusters, employees and independent contractors make all books, documents, accounts, records and affairs, which either belong to or pertain to Benton Life Insurance Company, Inc., available for full, free and unhindered inspection and examination by the Rehabilitator and/or the Receiver during normal business hours (9:00 a.m. to 5:00 p.m.) Monday through Friday, from the date of the order entered herein. Benton Life Insurance Company, Inc., and the above-specified entities shall fully cooperate with the Rehabilitator and/or the Receiver. Such cooperation shall include, but not be limited to, the taking of oral testimony under oath of the above-specified entities and any other person or entity who possesses any executive authority over, or who exercises any control over, any segment of the affairs of Benton Life Insurance Company, Inc. in both their official, representative, and individual capacities and the production of all documents that are calculated to disclose the true state of Benton Life Insurance Company, Inc. affairs.
10. That any and all individuals and are enjoined from instituting and/or taking further action in any suits, proceedings, and seizures against Benton Life Insurance Company, Inc., the Commissioner in his capacity as Rehabilitator of Benton Life Insurance Company, Inc., the Receiver, any affiliates, subsidiaries, insurers, officers, directors, representatives, agents, employees, accountants, or attorneys of same, to prevent any preference, judgment, seizure, levy, attachment, or lien being rendered against Benton Life Insurance Company, Inc., its estate, property, or assets, and/or its members, subscribers, enrollees, and policyholders, the Commissioner in his capacity as Rehabilitator, the Receiver, any affiliates, subsidiaries, insurers, officers, directors, representatives, agents, employees, accountants, or attorneys of same, and the making of any preference, judgment, seizure, levy, attachment, or lien against Benton Life Insurance Company, Inc., its estate, property, or assets until further order of this Court.
11. That, except with the concurrence of the Rehabilitator, and/or the Receiver, until further written order of this Court, all suits, proceedings, and seizures against Benton

Life Insurance Company, Inc and/or its respective policyholders be stayed in order to prevent the obtaining of any preference, judgment, seizure, levy, or lien, and to preserve the property and assets of Benton Life Insurance Company, Inc., including, but not limited to, suits and proceedings and all litigation where:

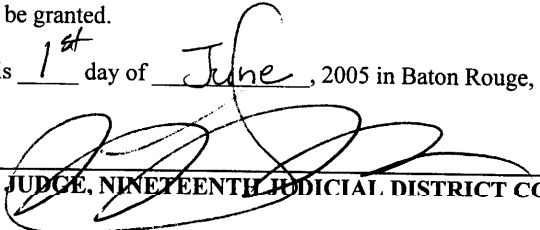
- a. Benton Life Insurance Company, Inc. is a party;
  - b. A policyholder or any other person who is named as a party to the litigation or claims insurance coverage under any policy of insurance, or certificate of coverage issued or assumed by Benton Life Insurance Company, Inc.;
  - c. The litigation involves or may involve the adjudication of liability or determines any possible rights or obligations of any policyholder or person as to any insurance policy, subscriber agreement, or certificate of coverage issued or assumed by Benton Life Insurance Company, Inc. or determines any possible future liability of Benton Life Insurance Company, Inc. with regard to any insurance policy or certificate of coverage issued or assumed by Benton Life Insurance Company, Inc.;
  - d. Where Benton Life Insurance Company, Inc. would otherwise be obligated to provide a defense to any party in any court pursuant to any policy of insurance or certificate of coverage issued or assumed by Benton Life Insurance Company, Inc.;
  - e. Where the ownership, operations, management and/or control of Benton Life Insurance Company, Inc. is at issue; and
  - f. Any party is seeking to create, perfect or enforce any preference, judgment, attachment, lien or levy against Benton Life Insurance Company, Inc. or its assets or against any policyholder of Benton Life Insurance Company, Inc.
12. That there shall be no liability on the part of, and that no cause of action of any nature shall exist against the Rehabilitator and/or regulator of Benton Life Insurance Company, Inc., the Receiver of Benton Life Insurance Company, Inc., and/or the Attorney General of the State of Louisiana in his capacity as attorney for the Rehabilitator and/or regulator of Benton Life Insurance Company, Inc. and/or the Receiver of Benton Life Insurance Company, Inc. and/or their representatives, agents, employees, or attorneys, for any action taken by them when acting in accordance with the orders of this Court as Rehabilitator, and/or regulator, and/or the Receiver, of Benton Life Insurance Company, Inc., and that such actions are be barred.
  13. That after the payment of all administrative expenses of rehabilitation, all obligations of Benton Life Insurance Company, Inc. will be paid pursuant to the orders of this Court according to the applicable law.
  14. That any and all individuals and entities are enjoined from interfering with these proceedings, or with the Rehabilitator's and/or the Receiver's possession and control or title, rights or interest; from interfering with the conduct of the business of Benton Life Insurance Company, Inc. by the Rehabilitator and/or the Receiver; from wasting the assets of Benton Life Insurance Company, Inc. and from obtaining preferences, judgments, attachments or other like liens or the making of any levy against Benton Life Insurance Company, Inc. or its property and assets while in the possession and control of the Rehabilitator and/or the Receiver, until further order of this Court.
  15. That all authority of all officers, directors, and managers of Benton Life Insurance Company, Inc. is suspended and vested in the Rehabilitator and/or the Receiver, until further written order of this Court.
  16. That all premiums and all other debts and payables due to Benton Life Insurance

Company, Inc., be paid to the Rehabilitator and/or Receiver until further order of this Court.

17. That the Rehabilitator and/or Receiver is permitted to notify every holder of a certificate of coverage or contract of insurance issued by Benton Life Insurance Company, Inc. and every known creditor of Benton Life Insurance Company, Inc. of the order of rehabilitation and injunction entered herein within sixty (60) days of the date of this order, notwithstanding the provisions of LSA-R.S. 22:737.1.
18. That one hundred twenty (120) days following the final day for the notice required to be given to holders of certificates of coverage, and contracts of insurance, is established as the cut off date by which claims of members, policyholders, providers and other creditors of Benton Life Insurance Company, Inc. for claims owed or services provided prior to the date of this Order must be submitted and received by Benton Life Insurance Company, Inc., (the "Claims Bar Date").

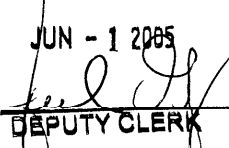
**IT IS HEREBY FURTHER ORDERED** that a Rule issue herein directed to Benton Life Insurance Company, Inc. ordering said defendants to show cause on the 15<sup>th</sup> day of August, 2005 at 9 o'clock a.m., why this Court should not find and order that sufficient cause exists for placing Benton Life Insurance Company, Inc. in rehabilitation and why this Court should not appoint the Commissioner of Insurance for the State of Louisiana as the Rehabilitator ; why this Court should not direct the Commissioner of Insurance and his agents and/or employees to take possession and control of the property, title interest, business and affairs of Benton Life Insurance Company, Inc. and to rehabilitate same and why all other relief prayed for in the Petition and Rule for Rehabilitation and Injunctive Relief should not be granted.

Signed this 1<sup>st</sup> day of June, 2005 in Baton Rouge, Louisiana.

  
JUDGE, NINETEENTH JUDICIAL DISTRICT COURT

CERTIFIED TRUE COPY  
001396  
DEPUTY CLERK OF COURT

19TH JUDICIAL DISTRICT  
EAST BATON ROUGE PARISH, LA.  
FILED  
2005 JUN 1 AM 9:39  
DOUG WELBORN  
CLERK OF COURT E.D.R. PARISH

CERTIFIED  
TRUE COPY  
JUN - 1 2005  
BY   
DEPUTY CLERK

**PLEASE SERVE:**

Benton Life Insurance Company, Inc.  
Through its agent for service of Process:

LEROY PATTERSON  
1220 North Hearne Avenue  
Shreveport, LA 71107

LEROY PATTERSON  
President  
Benton Life Insurance Company  
1220 North Hearne Avenue  
Shreveport, LA 71107